GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:2516
ANSWERED ON:30.11.2016
Speedy Implementation of Railway Projects
Gaddigoudar Shri Parvatagouda Chandanagouda;Karandlaje Km. Shobha;Nayak Shri B.V.;Simha Shri Prathap;Yeddyurappa Shri B. S.

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Government has explored any option for mobilising resources for speedy implementation of Railway projects and if so, the details thereof;

(b) whether any Railway projects have been stalled / not completed due to lack of funds and delay in land acquisition and if so, the details thereof;

(c) whether the Government has allowed the Railways to form joint venture companies with State Governments to speed up railway projects and if so, the details thereof;

(d) whether the Government has signed MoUs with any State in this regard till date; and

(e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI RAJEN GOHAIN)

(a) Yes, Madam. Apart from obtaining higher budgetary support from the General Exchequer, Railways are mobilizing Extra-Budgetary Resources like institutional finance sourced by Indian Railway Finance Corporation (IRFC) from Life Insurance Corporation of India, investment by strategic / private investors under Public - Private Partnership policy, equity participation by State Governments and Public Sector entities in joint ventures with Railways and funding from multilateral lending agencies like the World Bank.
(b) Due to a large shelf of ongoing projects with limited overall availability of funds, there had been delay in completion of projects. Clearances from different land owning agencies, lengthy process of acquisition of land and shifting of services/ utilities also take some time.
(c) Yes, Madam. Ministry of Railways has been authorized to form Joint Venture companies to undertake project development, resource mobilization and monitoring of mutually identified rail infrastructure projects on cost sharing basis. The Joint Venture company can form project specific subsidiaries or Special Purpose Vehicles (Project SPVs) which may have equity participation by other stakeholders like Banks, Public Sector Undertakings, Ports, Mining Companies etc. for project implementation.
(d) & (e): Railways have entered into Memorandum of Understanding / Joint Venture Agreement with State Governments of Andhra Pradesh, Chhattisgarh, Gujarat, Haryana, Karnataka, Kerala, Maharashtra, Odisha and Telangana.

*****